

# Organizational Standards 2.0

## Category Five: Board Governance

June 12, 2017



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Director of T/TA

Community Action Partnership

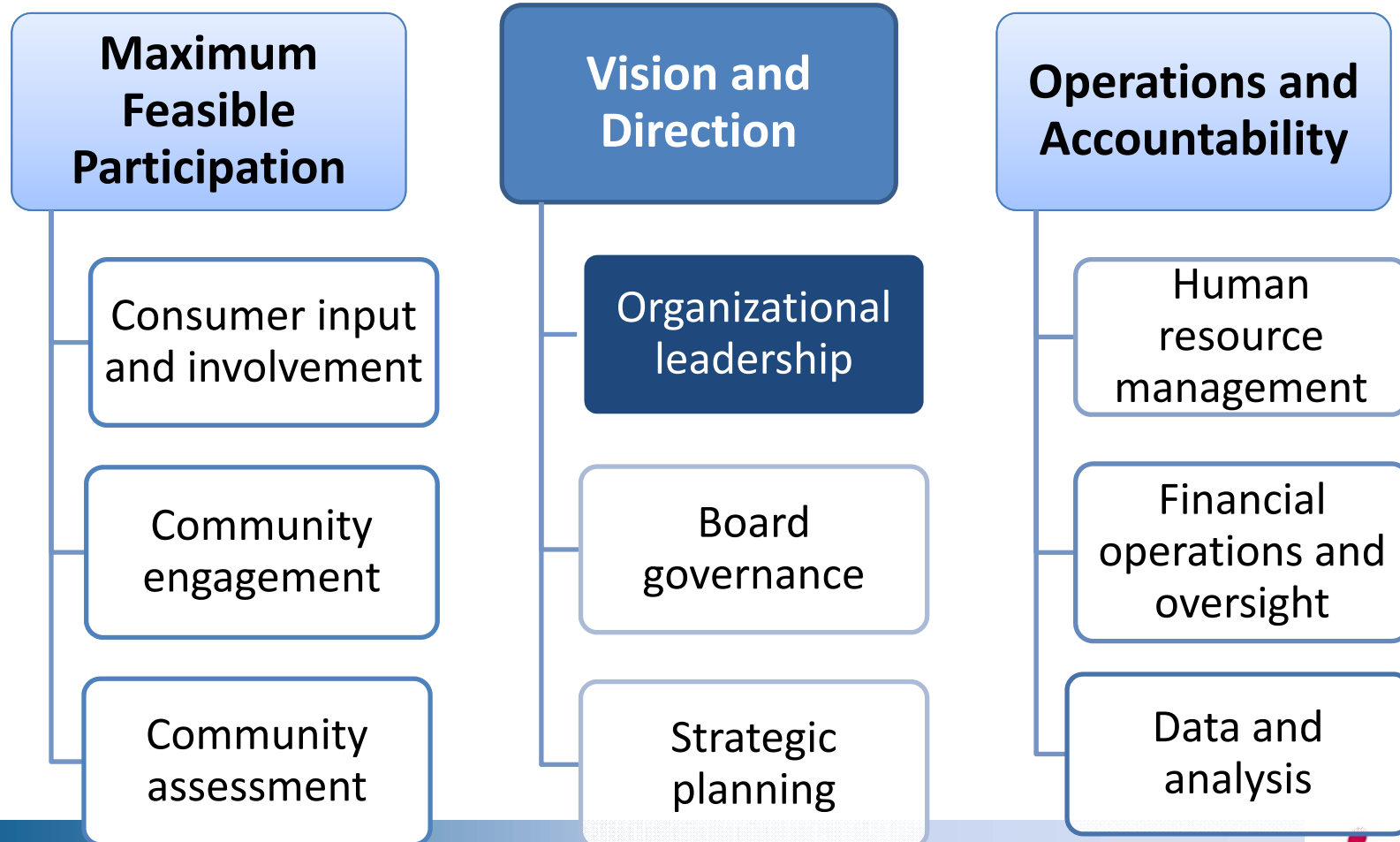


# Agenda

- Overview of Partnership tools and resources
- Standards 5.1 – 5.9
  - Interpretation and documentation
  - Q & A
  - Promising practices and resources
- Requests for additional T/TA resources
- Announcements and upcoming events

# CSBG Organizational Standards

Organized into three thematic groups



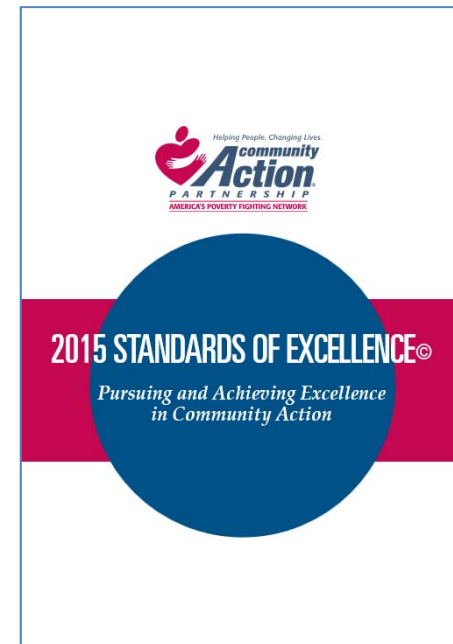
# A Framework for Achieving Excellence in Community Action

The Community Action Standards of Excellence are distributed among seven Categories of Excellence creating a management framework



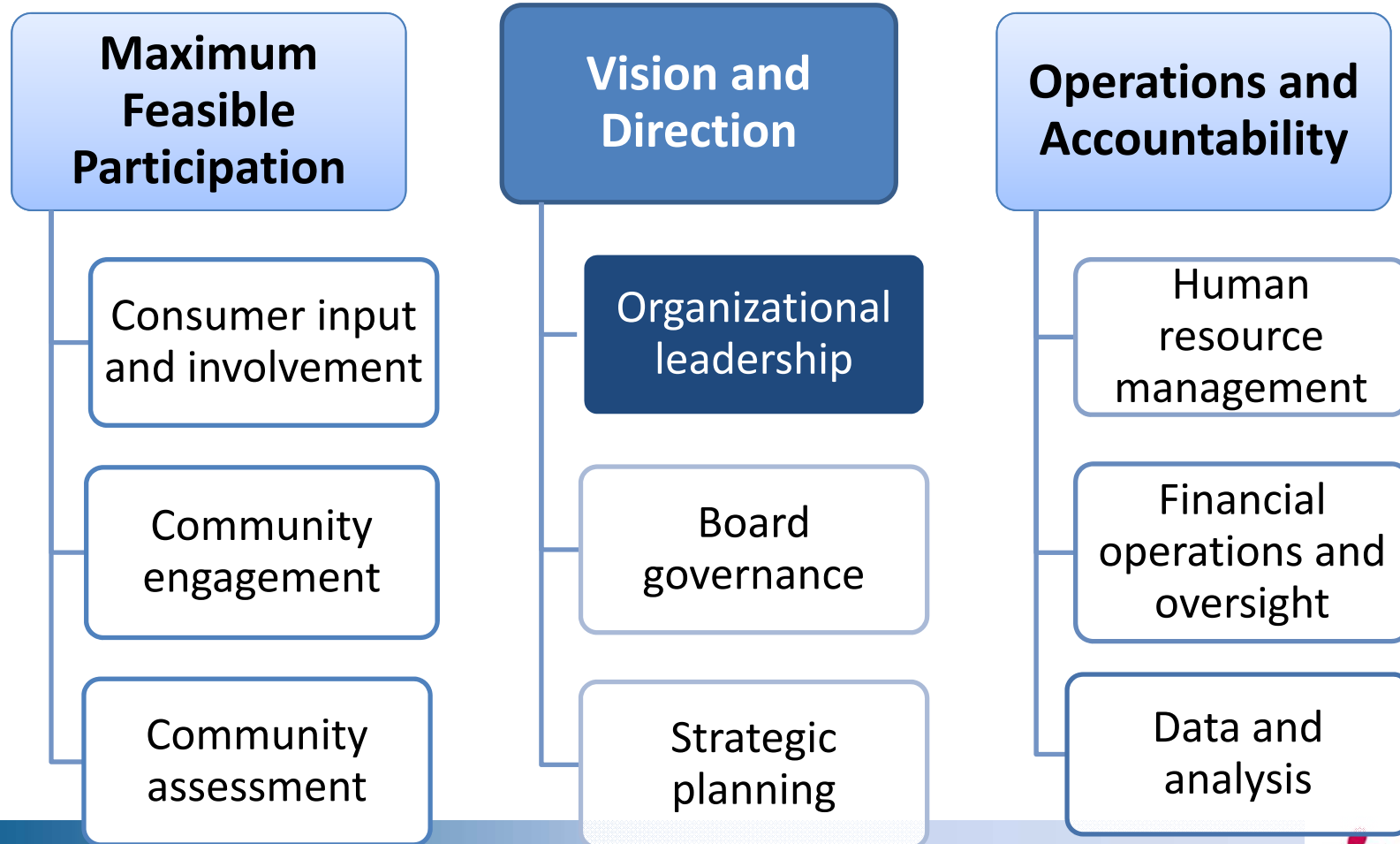
# What Are the Community Action Standards of Excellence?

- The Community Action Standards of Excellence represent 35 of the very best practices of the very best agencies.
- They represent real-world administrative and operational benchmarks that every agency can strive for.

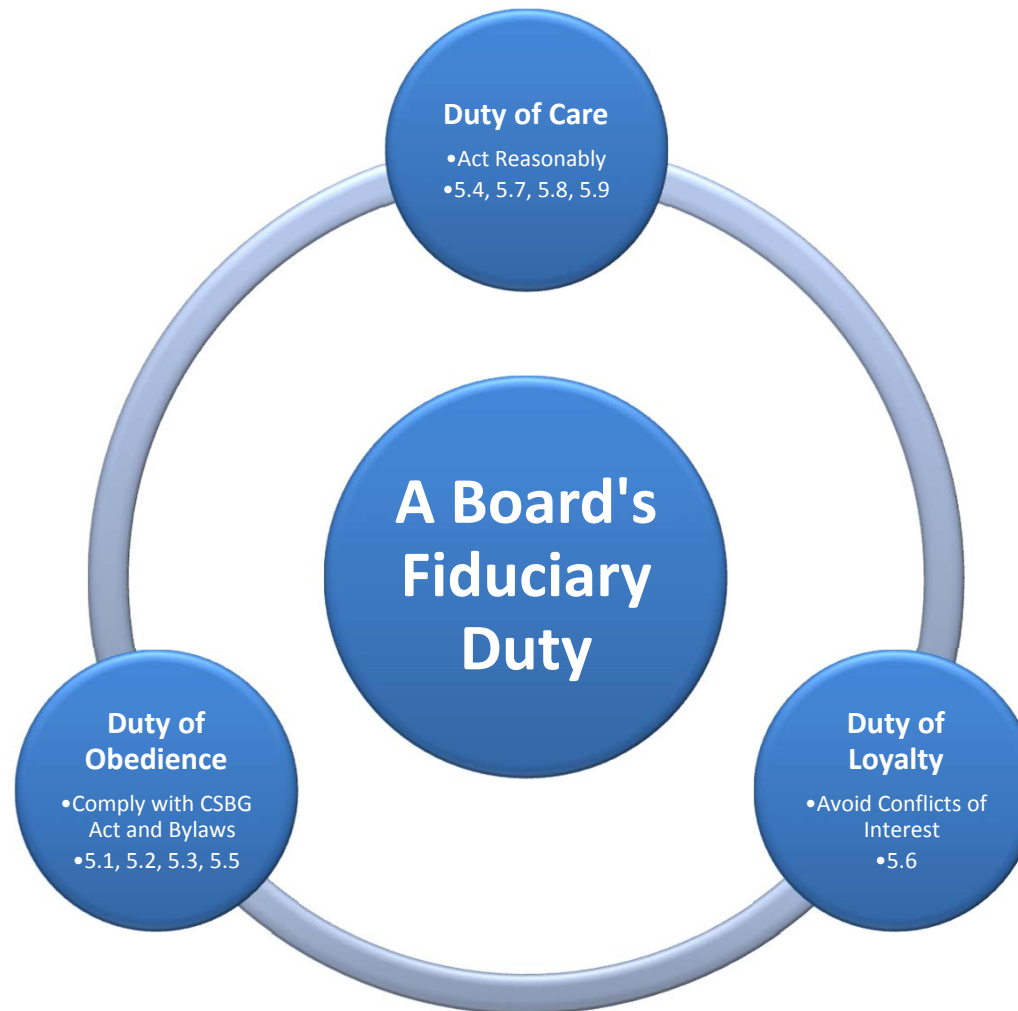


# CSBG Organizational Standards

Organized into three thematic groups



# Category Five Standards Address the Board's Duties



# Many Other Categories Intersect with Board Governance



# Standard 5.1

Standard 5.1 The organization's governing board is structured in compliance with the CSBG Act:

1. At least one third democratically-selected representatives of the low-income community;
2. One-third local elected officials (or their representatives); and
3. The remaining membership from major groups and interests in the community.

# 5.1 Interpretation

- One-third democratically-selected representatives of the low-income community
  - Can be selected through another democratic process (e.g. school board)
  - Do not have to be low-income
- Board can select which elected officials to include
- Private sector is broadly defined (faith community, education, housing, etc)
- Board membership may fluctuate but seats must be filled in accordance with the bylaws

# 5.1 Documentation

- Bylaws
- Board membership list
- Board minutes

## Standard 5.2

The organization's governing board has written procedures that document a democratic selection process for low-income board members adequate to assure that they are representative of the low-income community.

## 5.2 Interpretation

- Grounded in the CSBG Act, not new
- Note it is “democratically selected”, not elected
  - Once a potential board member is selected, that individual will still need to be elected and seated to the board following the CAA’s bylaws and board policies.
- According to IM 82 “the implicit intent of this requirement is to insure that those who currently live in areas served by the agency are represented so that they have a strong voice in agency governance and direction and are able to convey to those they represent the presence and significance of community action in their lives.”

## 5.2 Interpretation

Democratic selection can include:

- General elections
- Public forum
- Parent-Teacher Association
- Head Start Policy Council
- Tenant/neighborhood association
- Community-base health center board

## 5.2 Documentation

- Written policy
- Board policy/procedure manual
- Bylaws
- Minutes

## Standard 5.3

The organization's bylaws have been reviewed by an attorney within the past 5 years.

## 5.3 Interpretation

- Services can be provided pro bono
- Agencies should consider using an attorney with background in nonprofit law
- Can potentially be conducted by a board member or a staff person who is an attorney but agencies are encouraged to find outside counsel

## 5.3 Documentation

- A copy of the invoice for review services
- A letter from the attorney stating a review was completed
- A copy of the review from the attorney.
  - *Note the review itself belongs to the CAA and is a private document. The review itself should not have to be shared with the State CSBG Office in order to document meeting the Standard, though a CAA may choose to do so.*
- Board minutes documenting the board's discussion of the review

## Standard 5.4

The organization documents that each governing board member has received a copy of the bylaws within the past 2 years.

## 5.4 Interpretation

- Board actions that take place that are not in line with the bylaws are not valid and can be called into question both in practice, and legally. It is important that CAAs both establish bylaws that meet the needs of the organization and ensure that board members and staff are knowledgeable of the processes laid out in the bylaws.
- This Standard is limited to receipt of the bylaws only
- The Standard specifies “receipt” not just “distribution”

## 5.4 Documentation

- Board members need to receive a copy of the CAA's bylaws at least every two years. The copy can be in hard copy format or distributed electronically.
- Acknowledgement of receipt can be done in several ways including but not limited to:
  - Sign in list completed when Bylaws are distributed at a board meeting
  - Email confirmation of receipt
  - Board minutes documenting their distribution and noting those in attendance

## Standard 5.5

The organization's governing board meets in accordance with the frequency and quorum requirements and fills board vacancies as set out in its bylaws.

## 5.5 Interpretation

- Board members need to comply with agency bylaws
- The number of board meetings may be noted in the bylaws; a board may meet more frequently but not less
- A quorum needs to be in place for business to occur

# 5.5 Documentation

- Board minutes
- Board rosters
- Bylaws

# Standard 5.6

Each governing board member has signed a conflict of interest policy within the past 2 years.

## 5.6 Interpretation

- As a fiduciary, a board member must put the interest of the CAA ahead of its own and avoid conflicts of interest
- No particular conflict of interest policy template is required by the Standards
- A conflict of interest policy must be signed by board members (at minimum) every two years
- Review CAPLAW's Tools for Top-Notch CAAs for key provisions of a good policy and IM 82

## 5.6 Documentation

- Collect signed copies, keep on file at CAA

## Standard 5.7

The organization has a process to provide a structured orientation for governing board members within 6 months of being seated.

## 5.7 Interpretation

- There is no specific curricula requirement, or training methodology required for new board member orientation.
- New board members should be informed of the orientation and encouraged to attend.
- It is challenging to mandate activities for volunteers and while most CAAs board members will participate in provided new board orientation, it is not appropriate for a CAA to be considered out of compliance with the Standard if a board member chooses not to participate in the offered orientation.

## 5.7 Documentation

- Document with process description
- Board minutes

## Standard 5.8

Governing board members have been provided with training on their duties and responsibilities within the past 2 years.

## 5.8 Interpretation

- Ongoing training is vital for any position, especially one as important as a governing board member.
- IM 82 addresses board training and orientation and recommends that “Board members need to be trained to carry out both the legal, or fiduciary, aspects of their service and their leadership responsibilities to help guide the agency toward success.”
- The Standard’s intent is to give each CAA flexibility to provide training that its board needs.
  - May vary during the course of the year, be specific due to a current need such as the auditor visit, or be focused on preparing the board for future expansion.
  - There is not one required curriculum for board members to be trained on under this Standard

## 5.8 Documentation

- Training may be delivered at board meetings, special sessions, conferences, through electronic means, or other modalities as determined by the board. Training can be a stand-alone event, or part of other activities. Training can be broad in scope or focus on specific issues.
- Document through sign in sheets, copy of the curriculum used for training, board minutes documenting that training occurred with the names of those attending, registration and training materials from a conference that board members attended, links to recorded webinars the board viewed with an email from a board member stating they viewed the presentation.
- *As with orientation, volunteer board members may choose to not participate in these opportunities but attempts by the board and staff to ensure everyone had the opportunity to participate is critical.*

## Standard 5.9

The organization's governing board receives programmatic reports at each regular board meeting.

## 5.9 Interpretation

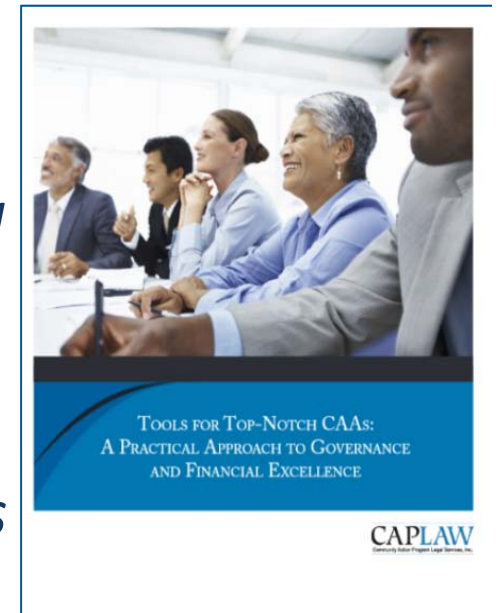
- Good board processes include programmatic reports that allow board members to stay abreast of program development, planning, implementation and evaluation activities and to provide input into the process.
- This Standard is not meant to be complex and does not require reporting on all programs at every board meeting.

## 5.9 Documentation

- The Standard does not require a report on each program at every board meeting; however it does call for some level of programmatic reporting at every board meeting.
- Organizations determine their own process to report programs to the board. For example, some organizations may cycle through their programs semi-annually, others may do so on a quarterly basis, and yet others may do a brief summary at every board meeting.
- Board minutes that reflect that programmatic reports have been provided and received by the full board would suffice as documentation. Programmatic reporting may be in writing (reports, dashboards) and/or be presented verbally.
- A Program Committee of the board is not required (and many CAAs have one in place) but can be a good place to “house” thorough program reviews with summaries coming to the full board.

# Category 5 Resources

- CAPLAW's *Tools for Top-Notch CAAs: A Practical Approach to Governance and Financial Excellence*
- CAPLAW's *Dynamic Duo: A Guide to Enhancing the Board & Executive Director Partnership*
- CAPLAW's *Bylaws Toolkit: The Rules CAAs Live By*
- CAPLAW's *Exemplary Legal Practices & Policies Guidebook (Part I and II)*
- CAPLAW's *Training Tools for Nonprofit and Public CAA Boards*
- OCS Information Memorandum 82



# Category 5 Resources

## Raising the Low-Income Voice

Case Studies in Democratic Selection Procedures

### INTRODUCTION

Since the inception of the Economic Opportunity Act, a fundamental goal of Community Action has been to provide low income individuals with a voice in the administration of its poverty alleviating programs. With the Community Service Block Grant's (CSBG) call to achieve "maximum participation" of the low income community in the development, planning, implementation, and evaluation of CSBG funded programs, a critical venue for the low income community's participation is through their representation on the tripartite board.

Despite the importance placed on maximum participation of the low income community, there is relatively little federal law that explains what this means in the context of democratic selection procedures. The federal CSBG Act requires that "(i) not fewer than 1/3 of the members [of the board] are persons chosen in accordance with democratic selection procedures adequate to assure that these members are representative of low-income individuals and families in the neighborhood served; and (ii) each representative of low-income individuals and families selected to represent a specific neighborhood within a community ... resides in the neighborhood represented by the member..."



The only further federal guidance comes in the Information Memorandum (IM) 82 from the Office of Community Services (OCS). This nonbinding guidance advises Community Action Agencies (CAAs) to "assure that board members representing low-income individuals and families... have been selected on the basis of some form of democratic procedure either directly through election, public forum, or, if not possible, through a similar democratic process such as election to a position of responsibility in another significant service or community organization such as a school PTA, a faith-based organization leadership group, or an advisory board/governing council to another low-income service provider." IM 82 advises CAAs to ensure democratic selection procedures "directly through election [or] public form," but if that is not possible, it lists a number of alternatives. These case studies are focused on the "direct" democratic procedures. If a CAA determines that direct democratic procedures are not possible, it will likely be able to comply with the law by creating what may be called "micro" democratic selection procedures, whereby the CAA asks another entity comprised primarily of individuals elected from the low-income community (e.g., a tenants association from a local low income housing development) to select someone from their organization to sit on the CAAs board.

While it is clear that CAAs must establish some kind of democratic selection procedure, it is not clear from the federal law what those procedures should, or may, look like. Given this, it may come as no surprise that one of the more common questions asked of CAPLAW is, "How do we conduct a democratic selection process?" Therefore, we have created these case studies to help the Community Action network answer this question by learning from their peers.

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## CAPLAW Democratic Selection Procedures Case Studies

<http://caplaw.org/resources/PublicationDocuments/raisingthelowincomevoice.html>

# Category 5 Resources

- Indiana Community Action Association Board Self-Assessment  
[www.virtualcap.org/downloads/MPI/IN-CAA-Board-Self-Assessment.pdf](http://www.virtualcap.org/downloads/MPI/IN-CAA-Board-Self-Assessment.pdf)
- Virtual CAP  
[http://www.virtualcap.org/project\\_category/board-of-directors/](http://www.virtualcap.org/project_category/board-of-directors/)
- Board Source  
<https://boardsource.org/>

# T/A Guides Toolkits and Webinars for Each of the Nine Categories

- Additional Guidance
  - Definition
  - Compliance
  - Document
- Beyond Compliance
- Resources
- Assessment Scales



**Standard 5.2 The organization's governing board has written procedures that document a democratic selection process for low-income board members adequate to assure that they are representative of the low-income community.**

**A. Guidance on the Definition and Intent of the Standard**

The CSBG Act states that CAA boards must have the tripartite structure noted above, including at least one-third of its membership being democratically selected representatives of the low-income community. Standard 5.2 states that CAAs need to have written procedures for how this is done in their local organization. It is important to note that the Act states democratically *selected*, not elected. Once a potential board member is selected, that individual will still need to be elected and seated to the board following the CAA's bylaws and board policies.

According to IM 82 "the implicit intent of this requirement is to insure that those who currently live in areas served by the agency are represented so that they have a strong voice in agency governance and direction and are able to convey to those they represent the presence and significance of community action in their lives." All CAA board members have an equal voice and vote in agency governance.

IM 82 continues, "Every effort should be made by eligible entities to assure that board members representing low-income individuals and families:

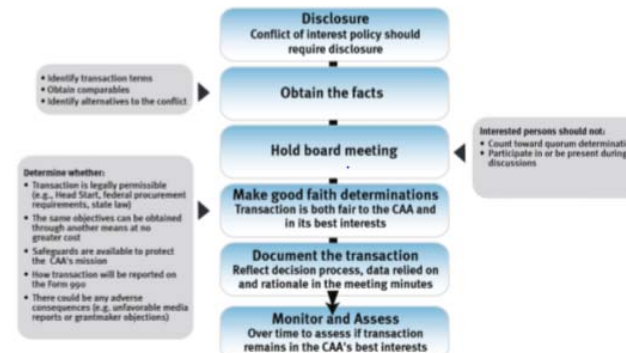
- Have been selected on the *basis of some form of democratic procedure* either directly through election, public forum, or, if not possible, through a similar democratic process such as election to a position of responsibility in another significant service or community organization such as a school PTA, a faith-based organization leadership group, or an advisory board/governing council to another low-income service provider;
- Are *truly representative of current residents* of the geographic area to be served, including racial and ethnic composition, as determined by periodic selection or reselection by the community. Being current should be based on the recent or annual demographics changes as documented in the needs/ community assessment. This does not preclude extended service of low-income community representatives on boards, but does suggest that continued board

**B. Guidance on Compliance and Documentation**

Documentation may include the written policy itself, board policy or procedure manual, bylaws, minutes, etc.

CAAs are encouraged to keep this process straightforward and not to incorporate something too complex. Examples of democratic selection procedures for low-income sector directors include:

# Toolkit Sections



Source: CAPLAW's Tools for Top-Notch CAAs

**C. Beyond Compliance: Benchmarking Organizational Performance**

Having true representation from the low-income community is an important element of a CAA governance structure. Working to ensure that all board committees (beyond committees that have decision making authority which are already required to maintain the structure) have a tripartite structure can help a CAA move beyond compliance toward excellence. In addition, incorporating advisory committees that engage low-income residents can also bring additional voice to the table.

**D. Resources**

As with the first standard in this category, this requirement is not new. Such procedures may be written in the agency's bylaws (and under some states' CSBG laws or regulations, may be required to insert it into the CAA's bylaws), procedure manuals, or other document to meet this Standards.

CAPLAW. *Tools for Top-Notch CAAs: A Practical Approach to Governance and Financial Excellence.* (2011). <http://caplaw.org/resources/PublicationDocuments/TopNotchToolkit.html>

Information Memorandum (IM) 82. *Tripartite Boards.* Issued March 23, 2005 <http://www.acf.hhs.gov/programs/ocs/resource/im-no-82-tripartite-boards>

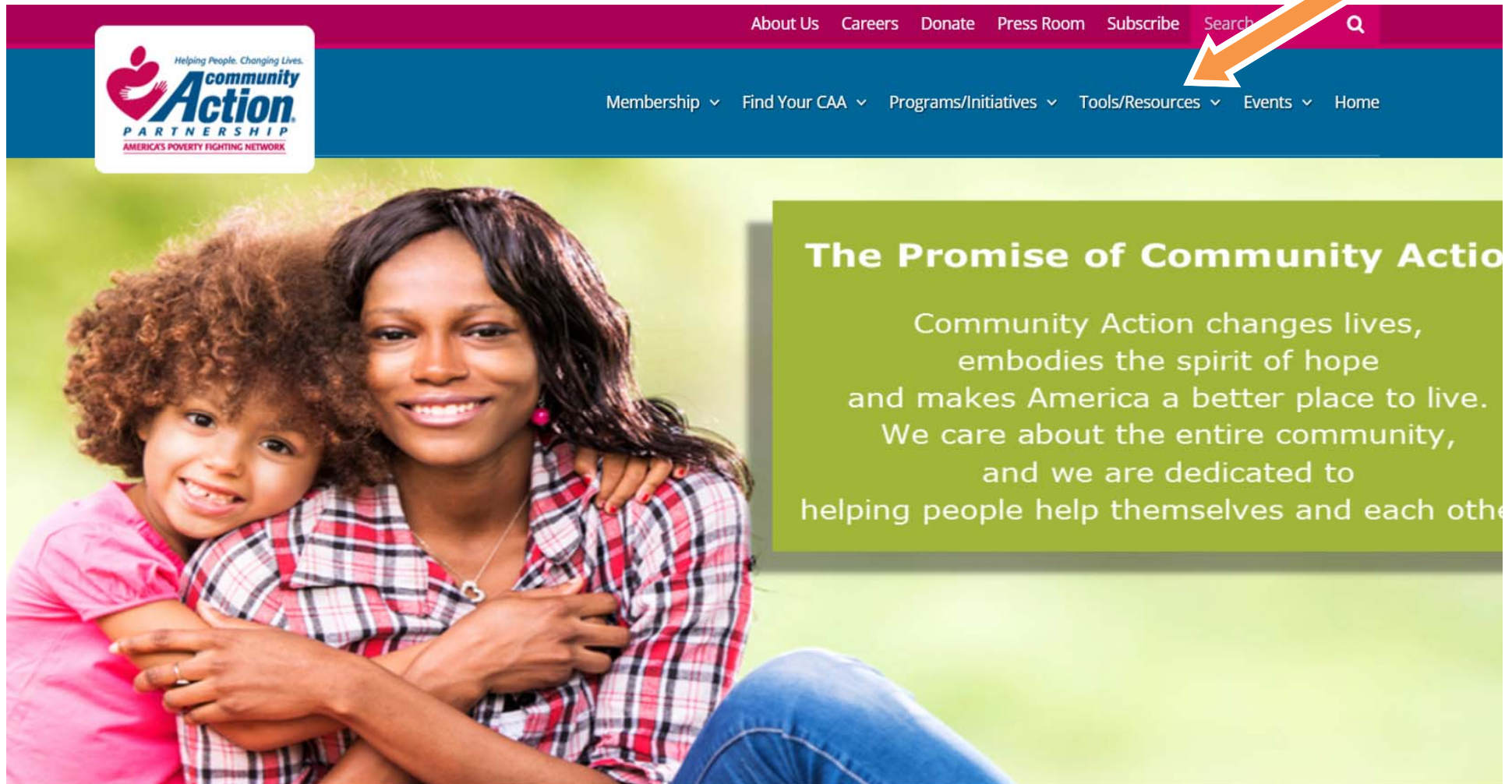
# Assessment Scales

- For Internal Use by CAAs Only
- Moving Beyond Compliance
- Accompanying webinars

	Documentation Used	Unacceptable	Unsatisfactory	Satisfactory	Advancing	Outstanding	Action to be Taken	Individual(s) Responsible	Target Date(s)
Standard 5.1 The organization's governing board is structured in compliance with the CSBG Act: 1. At least one third democratically-selected representatives of the low-income community; 2. One-third local elected officials (or their representatives) and; 3. The remaining membership from major groups and interests in the community.	•								
Standard 5.2 The organization's governing board has written procedures that document a democratic selection process for low-income board members adequate to assure that they are representative of the low-income community.	•								
Standard 5.3 The organization's bylaws have been reviewed by an attorney within the past 5 years.	•								

	Unacceptable	Unsatisfactory	SATISFACTORY	Advancing	Outstanding
<b>Standard 5.1</b>	Our bylaws do not reference the tripartite structure.	Our bylaws reference the tri-partite structure but the board does not reflect this.	The organization's governing board is structured in compliance with the CSBG Act: 1. At least one third democratically-selected representatives of the low-income community; 2. One-third local elected officials (or their representatives) and; 3. The remaining membership from major groups and interests in the community.	Our low income board seats are filled with people living in low-income communities, standing committees that have the power to act on behalf of the board (such as the executive committee) have a tripartite structure.	Our board and each standing committee reflect the tripartite nature of the board structure.
<b>Standard 5.2</b>	We do not have a written democratic selection process and the board does not have 1/3 of its membership coming from the low income community	We do not have a written democratic selection process but the board is seated with 1/3 being representatives of the low income community.	The organization's governing board has written procedures that document a democratic selection process for low-income board members adequate to assure that they are representative of the low-income community.	Our written procedure for selection is followed and reviewed by the board (or appropriate committee) every five years to assess its success and modified as needed.	Our written procedures are reviewed prior to each board election cycle to ensure that the process is inclusive and is reaching the intended low-income community.
<b>Standard 5.3</b>	It has been more than 10 years since our bylaws were reviewed by an attorney, or never reviewed by an attorney.	Our bylaws have been reviewed by an attorney in between 5-10 years ago.	The organization's bylaws have been reviewed by an attorney within the past 5 years.	Our bylaws have been reviewed by an outside attorney familiar with the state's nonprofit law within the past 5 years.	Our bylaws have been reviewed by an outside attorney familiar with the state's nonprofit law within the past 3 years.

# [www.communityactionpartnership.com](http://www.communityactionpartnership.com)



The screenshot shows the top portion of the website. At the top is a dark red navigation bar with links for "About Us", "Careers", "Donate", "Press Room", "Subscribe", and "Search" (with a magnifying glass icon). An orange arrow points to the "Search" link. Below this is a blue navigation bar with dropdown menus for "Membership", "Find Your CAA", "Programs/Initiatives", "Tools/Resources", "Events", and "Home". On the left side of the blue bar is the logo for "community Action PARTNERSHIP AMERICA'S POVERTY FIGHTING NETWORK". The main content area features a large photograph of a smiling woman hugging a young child. To the right of the photo is a green text box with the following text:

## The Promise of Community Action

Community Action changes lives,  
embodies the spirit of hope  
and makes America a better place to live.  
We care about the entire community,  
and we are dedicated to  
helping people help themselves and each other.

# Boards of Directors/Advisory Boards

- Handouts
- Videos



## Community Action Agency Boards of Directors and the CSBG Organizational Standards

The Boards of Directors plays a unique and important role in the life of a Community Action Agency. While staff members transition, founding directors retire, and programs change, the board offers consistency in purpose, intent, and responsibility. The governing board acts as a body, not as individuals, and its members are bound by the Duties of Care, Loyalty, and Obedience, bearing legal liability for their individual actions as well as those of the corporation.

# Community Action Partnership YouTube Channel-Board Videos

The screenshot shows a YouTube playlist page. At the top, the browser address bar displays the URL: [e.com/playlist?list=PLMVDY93](https://www.youtube.com/playlist?list=PLMVDY93). The page header includes the YouTube logo, a search bar, and buttons for 'Upload' and 'Sign in'. The channel name 'Community Action Partnership' is visible, along with navigation links for 'Videos', 'Playlists', 'Channels', 'Discussion', and 'About'. The main content area features a video player thumbnail for the first video in the playlist, titled 'COE-developed CSBG Organizational Standards - What Do Boards Need To Know?'. Below the thumbnail, the title is repeated, followed by the channel name and the number of videos in the playlist (10). A description states: 'This series of 10 videos are designed to introduce governing boards of Private (nonprofit) Community Action Agencies to the COE-developed CSBG Organizational Standards. For more information on the Organizational Standards please visit bit.ly/sta... more'. Below the description are buttons for 'Play all', 'Share', and 'Save'. The playlist list below contains five items, each with a video thumbnail, title, channel name, and duration:

Video Number	Video Title	Channel	Duration
1	Standards for Boards Introduction	Community Action Partnership	11:36
2	Standards for Boards - Consumer Input and Involvement	Community Action Partnership	3:56
3	Standards for Boards - Community Engagement	Community Action Partnership	7:04
4	Standards for Boards - Community Assessment	Community Action Partnership	6:26
5	Standards for Boards - Organizational Leadership	Community Action Partnership	11:59



National Training  
Center

# CSBG T/TA Resource Center

- [www.csbgtta.org](http://www.csbgtta.org)
- *Many more toolkits, webinars, and print resources*
- Consultant Bank
- Training Calendar
- Discussion Forum
- Shared Calendar

The screenshot shows the website's navigation menu (Home, Dashboard, About, Contact, Consultant Bank, Forum, Calendar, Resource Bank) and a login section. The main content area features a featured resource titled "CAA LEADERS' LEGAL GUIDE" with a cover image showing a compass rose. The text describes the guide as a publication of CAPLAW and Community Action Partnership, covering four chapters: General Overview of Federal Grant Law, Community Services Block Grant Act, Financial Management of Federal Grants, and General Tax Exempt Organization Requirements.

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